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SSA 63-1325

27 SEP 1963

MEMORANDUM FOR: Mr. Earman

SUBJECT : Project [REDACTED]

1. Yesterday afternoon I talked to Mr. Karamessines about the [REDACTED] audit report, and he in turn called Cord Meyer. Mr. Karamessines is fully aware of the basic findings of the audit, and he asked Mr. Meyer to take a personal interest in the analysis which is being undertaken by the CA Staff's support unit.

2. I also discussed the project with the Administrative Officer [REDACTED]. He has been looking into the matter since the Audit Staff first identified the problem, and prior to the actual submission of the audit report. He believes that it will be possible to reconstruct accountings for most of the unsupported disbursements by using records which are maintained [REDACTED]. It will also be necessary to carefully review the discrepancies noted in the report, and to determine whether there is a basis for action against any individual.

3. The analysis of the records may take two or three weeks. In the meantime, [REDACTED] notified that the project outline and the Admin Plan should be re-written to clearly distinguish between subsidy payments and Agency advances, and to insist on proper accountings for all funds except bona fide subsidy payments.

4. I will keep the Audit Staff informed of the progress of the investigation [REDACTED]

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